# TENNESSEE GENERAL ASSEMBLY FISCAL REVIEW COMMITTEE



## FISCAL MEMORANDUM

HB 425 - SB 1016

March 31, 2015

**SUMMARY OF ORIGINAL BILL:** Adds the Civil and Criminal Justice Committees of the House of Representatives to the recipients of the annual joint report on the current status of emergency medical services for children and the continuing effort to improve such services. This report is jointly prepared by the Board for Licensing Health Care Facilities, the Emergency Medical Services Board, and the Committee on Pediatric Emergency Care.

FISCAL IMPACT OF ORIGINAL BILL:

#### **NOT SIGNIFICANT**

SUMMARY OF AMENDMENT (005225): Deletes all language after the enacting clause. Creates new provisions of voluntarily healthcare under the Volunteer Health Care Services Act. Enacts the "Kenneth Harry-Hill Tennessee Veterans Health Care Act of 2015 (Act)," also to be known as the "Mission Tennessee for Veterans Program" for the purpose of providing healthcare services to veterans and other persons who lack health insurance at free clinics operated on the site of Tennessee National Guard armories. Authorizes the Tennessee Military Department (TMD) to permit the use of such armories for such free clinics. Authorizes a licensed healthcare provider who is a member of the Tennessee National Guard to provide healthcare services in conjunction with this Act. Such free clinics are authorized to provide limited primary health care, but not emergency care or urgent care services. Healthcare services rendered under the provisions of this Act are deemed to be engaging in the voluntary provision of healthcare services. Authorizes the TMD to accept donations of medical supplies and services to assist the operation of the free clinics. A free clinic operated in conjunction with this Act are authorized to participate in appropriate networks and public information activities in order to facilitate access to free healthcare services by veterans. The Commissioner of the Department of Health (DOH) is authorized to promulgate rules to effectuate the purposes of this Act. Defines "veteran" as a Tennessee resident who has entered and served in the United States Armed Forces and who was discharged or released from service under conditions other than dishonorable.

#### FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumptions for the bill as amended:

- Based on information provided by TMD, this permissive measure authorizing the use armories will first require approval by the Adjutant General, pursuant to Tenn. Code Ann. § 58-1-512.
- The TMD assumes the utilization of armories for the provision of voluntary healthcare services may be facilitated using existing resources and is not anticipated to increase costs.
- Any healthcare services provided will be voluntary. It is assumed that "appropriate networks" under this Act includes sponsoring organizations, which are organizations that organize or arrange for the voluntary provision of healthcare services. Sponsoring organizations are authorized to charge recipients based on a sliding scale according to income or a fee at the time of service of no more than the state regulatory fee, pursuant to Tenn. Code Ann. § 9-4-5117.
- Any fees charged to customers of such clinics will not impact the state.
- It is unknown if the amount of medical supplies donated to TMD will be sufficient to operate such clinics; however, it is assumed that such clinics will offer healthcare services dependent on the current supply of donated medical supplies and TMD will not incur any additional expenditures in purchasing medical supplies for these clinics.
- Board for Licensing Health Care Facilities may be required to ensure that the armories are in compliance with Board rules.
- Based on information provided by DOH, the Board can ensure compliance with this
  section utilizing existing staff and resources. Any additional cost incurred is assumed to
  minimal.
- The Board had net surpluses of \$599,456 in FY12-13 and \$386,355 in FY13-14.

### **CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

Jeffrey L. Spalding, Executive Director

/jdb